

## MINUTES ADOPTED BY CITY COUNCIL

Greenville, NC  
March 29, 2004

The Greenville City Council met in a regular meeting on the above date at 3:00 PM in the City Council Chambers, third floor of the Municipal Building, with Mayor Pro-Tem Ric Miller presiding. The meeting was called to order, and the following were present.

Mayor Pro-Tem Ric Miller  
Council Member Mildred A. Council  
Council Member Ray Craft  
Council Member Pat Dunn  
Council Member Rose H. Glover  
Council Member Chip Little  
Marvin W. Davis, City Manager  
Wanda T. Elks, City Clerk  
David A. Holec, City Attorney

Council Members Absent: Mayor Robert D. Parrott

### CONTINUED DISCUSSION OF FY 2004-05 BUDGET

City Manager Davis explained that the proposed FY 2004-05 budget is still not balanced; however, substantial reductions have occurred.

Deputy City Manager Bill Richardson reviewed the status of the budget with the Council and explained that it is still \$3,419,492 out of balance. He explained that staff would like to hear from the Council Members about initiatives or activities they would like to see in the budget. Staff is always trying to respond to growth as it invests in deferred maintenance. It is also the goal to try to compensate the workforce. There are always difficulties in making the cuts, and many needed items were eliminated. Included in the initial budget are the August COPS (personnel for Station #6), a 3.9% market placeholder, capital outlay reductions and debt service adjustment. CIP unmet needs have been removed and no General Obligation bond projects are included. Things yet to be considered are recommended positions (seven full-time and one part time), the compensation study adjustment, and additional Council initiatives. There have been cuts in capital outlay and capital improvements, and the Council may want to make some adjustments there. The budget is 3.3% above the adjusted budget for this year. Sixty-five percent of the budget is for personnel. Operating costs for the COPS projects are projected to be \$460,000. The operating budget has been reduced from \$9.3 million to \$8.3 million. Operating transfers out includes debt service for COPS.

Ms. Demery stated that staff is projecting a flat sales tax. Many positions are needed but are not in the working budget. The ones being recommended but that are not funded are as follows:

Public Works	Traffic Signal Technician I Civil Engineer II (land development) Civil Engineer II (capital projects)
Fire/Rescue	Fire/Rescue Trainee (station #6) Fire/Rescue II (station #6) EMS Specialist (station #6) Fire/Rescue Captain (station #6)
Recreation and Parks	Park Program Assistant
Human Resources	Safety Officer
Financial Services	Fixed Assets/Grant Coordinator (Accounting Technician II)
IT	Administrative Secretary (Part Time to Full Time) Tech Support Manager

Even though these positions are needed, they are not included in the working budget. No grant funded positions are included. Fire/Rescue positions for Station #6 are included. A grant application has been submitted for four police officers for the traffic unit. Funds would be appropriated if the grant is awarded.

City Manager Davis explained that there is an approximate eight percent turnover each year. Having authority for those positions allows staff to go ahead and recruit. The financial policy of the City says that the City budgets 100% for positions.

Deputy City Manager Richardson informed the Council if all seven positions are funded, it will cost \$303,000 in base salaries and \$84,000 in fringe benefits.

City Manager Davis stated that at this point, “recommended” means recommended for further discussion to see what kind of interest City Council may have and to see what type of total revenues to expenditures there may be.

Deputy City Manager Richardson reviewed the reductions in capital outlay and explained how the departmental requests totaled \$3,129,564 and only \$1,760,128 is being recommended for funding. Even though the needs are great, they cannot all be funded. The capital improvement items recommended for funding totaled \$41,226,389, which includes General Fund, Lease Purchase, Powell Bill, Capital Reserve, Long-Term Financing, NC Department of Revenue, Grants and Stormwater Utility revenues. There is no debt service allocated for those in the budget since they have not been authorized by the voters. Long-term financing includes \$14.8 and \$20 million in General Obligation Bonds.

Deputy City Manager Richardson stated that the preliminary agency presentations were given at the last meeting and a few minor reductions have been made. Sheppard Memorial Library is the

only one receiving funding from the City. The Airport Authority will make its presentation to the Council at a later time.

Deputy City Manager Richardson asked the Council to provide the staff with initiatives so that they can be discussed by Council and included in the budget.

Concerns raised by Council Members, questions asked and answers given were as follows:

Given the initiative of strengthening neighborhoods, the Council may wish to consider adding a position to Neighborhood Services. How many people are in that division now?

(RESPONSE: There are currently four staff members in that division, one for West Greenville, one for the University area, one for other areas of the city, one supervisor and one secretary.)

Are they the only code enforcement people?

(RESPONSE: Yes.)

The responsibility of the Neighborhood Services Division is outgrowing the number of employees. That division is in need of help to enhance the quality of life of the neighborhoods. Council may want to consider that as they consider the budget.

Some areas can use two people from that division.

How much is debt service?

(RESPONSE: The annual cost for each additional million dollars in debt is \$80,000 at 20 years at five percent. For lease purchases over a five-year period, it is closer to \$240,000. Every \$367,000 means one cent of tax rate.)

Is the traffic officer an additional one?

(RESPONSE: It is a new position that comes from the Governor's Highway Safety Grant that requires a 75/25 match. The grant reduces 25% each year.)

How many African-Americans are in the traffic unit?

(RESPONSE: None.)

How much is in the budget for a youth council?

(RESPONSE: None because staff doesn't know what is needed yet? That will be done when the organization gets formed.)

### NEXT STEPS

City Manager Davis reminded the Council that there will be a joint meeting with the Greenville Utilities Commission on April 20 at 5:30 p.m. The Joint Pay and Benefits Committee will meet the week before. The budget schedule originally showed budget discussions on April 5; however, there will be no new information so it will not be necessary to discuss the budget then. It is customary to be out of budget at this time. Currently, the staff has \$3.5 million to cut.

Motion was made by Council Member Council and seconded by Council Member Dunn to cancel the April 5 meeting that was scheduled for 3:00. Motion carried unanimously.

City Manager Davis informed the Council that the Chamber of Commerce is having a Community Issues Forum on April 26 at 6:00 and wants to know if the City will co-sponsor this event. He expressed that this is a good idea. The purpose of the meeting is to solicit input on transportation, research and development, governmental services, economic development, etc. There will be no cost to the City.

The consensus of the Council was to participate in the forum.

Deputy City Manager Richardson stated that the budget needs to be completed by May 4 so that it can be finalized in time to go to the printers. All budgets need to be turned in by May 10 to be distributed May 17.

#### ADJOURN

Motion was made by Council Member Little and seconded by Council Member Council to adjourn the meeting at 4:20 p.m. Motion carried unanimously.

Respectfully submitted,

Wanda T. Elks, CMC  
City Clerk